

Posting a net income of KD 12.1 million and an operating profit of KD 30.2 million

Burgan Bank reports strong Q1'22 results



*Mr. Majed Essa Al Ajeel, Chairman of
Burgan Bank Group*



*Mr. Masoud M.J. Hayat, Vice Chairman &
Group CEO of Burgan Bank*

Kuwait, 25 April 2021: Burgan Bank K.P.S.C. (“Burgan” or “Bank”) announced its financial results for the first quarter ending on 31st March 2022. The Bank reported KD 52.6mn in revenue, up 10% from KD 47.8mn in Q1'21, driven by the Net Interest Income of KD 31.9mn, up 22% y-o-y as compared to KD 26.1mn in Q1'21. Burgan's Net Interest margins improved to 2.1% in Q1'22 as compared to 1.7% reported in Q1'21 (up 30bps y-o-y) largely driven by lower Cost of Funds. The Bank also delivered robust operating profits of KD 30.2mn in Q1'22, up 11% from KD 27.2mn in Q1'21. As a result, Q1'22 Net Income grew to KD 12.1mn – 140% higher than Q1'21 Net Income that amounted to KD 5.1mn. Burgan's loans and advances grew to KD 4.3bn (up 2% y-o-y) and its customer deposit balance increased to KD 4.4bn (up 7% y-o-y). The Bank's loans went up by 2% and the deposit base grew by 7%. Burgan's capital and liquidity profile remained solid.

During Q1'22, Burgan launched its new Kanz draw account as part of its retail transformation strategy, with exciting prizes exceeding KD 2.3mn in the monthly, quarterly, semi-annual, and annual draws. The Bank also continued to progress on its digitalization journey with the launch of the Cash Management Solution (CMS) Online Platform for corporate customers and the introduction of the Personal Finance Manager Tool (PFM) on the App for retail customers.

Commenting on the positive financial results, Mr. Majed Essa Al Ajeel, Chairman of Burgan Bank Group, pointed out that the upwards trajectory across all key financial indicators reflects the soundness of Burgan's core strategy and the effectiveness of its endeavors focused on sustainability, digitalization and human capital development.

Al Ajeel further noted: "On the heels of such a prolonged period of economic instability and uncertainty, achieving such robust financial results indicates that we have successfully mitigated the challenges and set ourselves firmly on the path for sustainable growth. This positive performance is attributable to our focused growth plans aimed at delivering an elevated banking experience driven by first-class modern banking solutions. That is why we continue to invest heavily in accelerating digitalization across the bank's activities and operations and bolstering our technological infrastructure."

Al Ajeel also stressed the Bank's continued commitment to its strategic Environmental, Social and Governance (ESG) initiative, adding: "Burgan's ESG framework has been embedded into our organizational fabric across the business practices and choices and integrated in our long-term transformation journey. We will continue to conduct our business responsibly and ethically to amplify our positive impact on our community and environment."

On his part, Mr. Masoud M.J. Hayat, Vice Chairman and Group CEO of Burgan Bank, pointed out that the Bank's strong financial performance so far in 2022 is reflective of its well-grounded financial core and stable assets quality.

He further noted "Our innovation-focused approach to development balances prudence and caution with innovation and progression to deliver an elevated banking experience whilst safeguarding our fiscal health. We are on a long-term journey of transformation, as we continue to actively enhance and elevate our offering. That includes rethinking the entire customer journey across every touch point and making a major investment in our digital and fintech operations, delivering intelligent, bespoke solutions that cater to the needs of our customers."

The consolidated financials for Burgan Bank include the results of the Group's operations in Kuwait, as well as its share of results from its subsidiaries, Burgan Bank Turkey, Gulf Bank Algeria, Bank of Baghdad and Tunis International Bank. Through this regional reach, Burgan Bank has one of the largest regional branch networks with 162 branches across Kuwait, Turkey, Algeria, Iraq, Tunisia, Lebanon and a representative office in the United Arab Emirates.

About Burgan Bank

Established in 1977, Burgan Bank is currently the third largest bank by assets in Kuwait. From its earliest days, the Bank has significantly focused on the corporate and financial institution sectors, in addition to diversifying its offering to cater to its growing retail and private banking customer base.



Burgan Bank has majority-owned subsidiaries, collectively known as the “Burgan Bank Group”, in the MENAT region. This Group is supported by one of the largest branch networks across the region and includes: Gulf Bank Algeria – AGB (Algeria), Bank of Baghdad – BOB (Iraq & Lebanon), Tunis International Bank – TIB (Tunisia), and the fully owned Burgan Bank Turkey. Furthermore, Burgan Bank has a presence in the UAE through its corporate office, Burgan Financial Services Limited.

The Bank has continuously improved its performance over the years, through an expanded revenue structure, diversified funding sources, and a strong capital base. The adoption of state-of-the-art services and technology has positioned it as a trendsetter in the domestic market and within the MENA region. Moreover, Burgan Bank’s brand has been built on a foundation of real values – trust, commitment, excellence, and progression – which serve as a reminder of the high standards to which the Bank always aspires. In fact, the Bank’s core philosophy of ‘Driven by You’ is the foundation on which its products and services are continuously developed.

The Bank obtained the ISO/IEC 27001: 2013 Information Security Management Systems certificate (ISMS) and was re-certified with the prestigious ISO 9001:2015, making it the one of the few banks in the GCC and Kuwait to receive such a certification for five consecutive times. The Bank also has the distinction of being the only Bank in Kuwait to have won the JP Morgan Chase Quality Recognition Award for twenty consecutive years.

Burgan Bank is a majority owned subsidiary of KIPCO (Kuwait Projects Company), one of the largest holding companies in the MENA region.